

# S.B. NO. 2718

JAN 25 2010

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## A BILL FOR AN ACT

RELATING TO DEATH BENEFITS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 346-15, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "§346-15 ~~[Burial of]~~ Death benefits for deceased medical  
4 or financial assistance recipients [or] and disposition of  
5 unclaimed corpses. (a) Where the decedent was a medical or  
6 financial assistance recipient at the time of death and is  
7 ineligible for the Social Security Lump-Sum Death Benefit, [The]  
8 the department of human services may [bear the cost of the  
9 burial of deceased medical or financial assistance recipients or  
10 unclaimed corpses. Burial services include the customary  
11 mortuary, crematory, cemetery, and other services essential in  
12 providing a dignified burial.] issue a lump-sum death benefit in  
13 an amount equal to the Social Security Administration's Lump-Sum  
14 Death Benefit for that year.

15           (b) ~~[The department may pay for mortuary and crematory~~  
16 ~~services to be furnished by any licensed provider of mortuary~~  
17 ~~and crematory services. Mortuary and crematory payments shall~~  
18 ~~be made to the extent of cost, or in the sum of \$400, whichever~~

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1 ~~is less.]~~ The department may authorize and bear the cost of the  
2 mortuary and crematory services for unclaimed corpses furnished  
3 by any licensed provider of mortuary or crematory services.

4 Payments for mortuary and crematory services shall be made to  
5 the extent of cost, or in the sum of \$800 in total, whichever is  
6 less, for each unclaimed corpse.

7 ~~[(c) The department may pay for cemetery services, to be~~  
8 ~~furnished by any licensed provider of cemetery services.~~

9 ~~Cemetery payments shall be made to the extent of cost, or in the~~  
10 ~~sum of \$400, whichever is less.~~

11 ~~(d) In cases where the decedent is survived by relatives,~~  
12 ~~the relatives shall be permitted to make their own arrangements~~  
13 ~~for the burial or cremation of their deceased relative.]~~

14 ~~[(c) The person submitting an application for funeral~~

15 ~~payments under the department's funeral payment program,] (c)~~

16 Any person submitting an application for the lump-sum death

17 benefit described in subsection (a) on behalf of a deceased

18 medical or financial assistance recipient, shall have sixty days

19 from the date of the death of the deceased to submit the

20 application [for funeral payments] to the department. [This

21 subsection shall not apply to applications submitted by the

1 ~~respective county medical examiner or coroner on behalf of~~  
2 ~~unclaimed corpses.~~

3 ~~(f) All unclaimed corpses shall be cremated. The~~  
4 ~~department of human services shall authorize the cremation of~~  
5 ~~unclaimed corpses.]~~

6 ~~[(g)]~~ (d) A person or public or private agency, including  
7 the department of human services, shall not be liable for any  
8 damage or subject to criminal prosecution for any act done  
9 pursuant to and in compliance with this section.

10 ~~[(h)]~~ (e) For ~~[the]~~ purposes of this section, "unclaimed  
11 corpse" means the remains of any deceased person for whom no one  
12 has assumed responsibility for disposition of the body within  
13 five working days, excluding weekends, from the date of death  
14 and about whom the department and the respective county medical  
15 examiner or coroner have no actual knowledge of a legally  
16 responsible party.

17 ~~[(i)]~~ (f) The department shall adopt rules pursuant to  
18 chapter 91 for purposes of administering and implementing this  
19 section."

20 SECTION 2. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.

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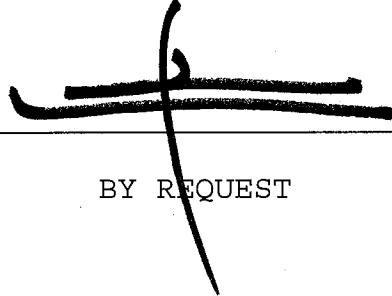
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1 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: \_\_\_\_\_

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BY REQUEST

**Report Title:**  
Death Benefits

**Description:**

To provide a State lump-sum death benefit in an amount equal to the Social Security Administration's Lump-Sum Death Benefit for deceased medical or financial assistance recipients who are ineligible for the Social Security Administration benefit.

JUSTIFICATION SHEET

DEPARTMENT: Human Services

TITLE: A BILL FOR AN ACT RELATING TO DEATH BENEFITS.

PURPOSE: To use the federal Social Security Administration's Lump-Sum Death Benefit as a model to restructure and right-size the State's funeral payment benefit for medical and financial assistance recipients.

MEANS: Amend section 346-15, Hawaii Revised Statutes.

JUSTIFICATION: The federal Social Security Administration currently provides a lump-sum death benefit of \$255 to surviving relatives of eligible individuals who have 40 quarters of work history or are receiving monthly Social Security benefits.

DHS currently provides a fully state-funded funeral payment of up to \$800 to surviving relatives to defray the mortuary and burial services costs for medical and financial assistance recipients who do not qualify for a federal death benefit at the time of their death.

The proposed amendment will require the State to provide a lump-sum death benefit identical to the federal Social Security Administration's lump-sum death benefit. This change will result in an estimated cost savings of approximately \$430,000 in state funds per year, as well as bring parity in the level of government assistance provided to all medical and financial assistance recipients.

This bill also simplifies the eligibility determination process.

The disposition of unclaimed bodies and costs remains unchanged in this proposed bill.

Impact on the public: The proposed amendment will ensure a standard of equal treatment of both state and federal governmental benefits.

Impact on the department and other agencies:  
None.

GENERAL FUND: The proposed amendment will decrease annual state fund expenditures by approximately \$430,000.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HMS 401

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon approval.